

**CONTRACT FOR SUPPLY AND DELIVERY
OF BUILDING MATERIALS OF INFRASTRUCTURE
AND MAINTENANCE DIVISION**

KNOW ALL MEN BY THESE PRESENTS:

This AGREEMENT is made and entered into this SEP 01 2015 day of 2015 between:

The **AUTHORITY OF THE FREEPORT AREA OF BATAAN**, a body corporate created and operating under Republic Act No. 9728, with office address at the 2nd Floor AFAB Administration Building, Freeport Area of Bataan (FAB), Mariveles, Bataan, represented herein by its Chairman and Administrator, **DEOGRACIAS G.P. CUSTODIO**, hereinafter referred to as the "**AFAB**".

- and -

JMP TRADING AND HOME IMPROVEMENTS, a DTI registered business enterprise, with office address at Lot 11 Blk. 11 Gen. Capinpin cor. Everlasting St., San Jose, Balanga City, Bataan, represented herein by its General Manager/Owner, **MICHAEL EMMANUEL MILLER PALAC**, hereinafter referred to as the "**SUPPLIER**";

WITNESSETH:

WHEREAS, the AFAB, through negotiated procurement, requested interested suppliers to submit on a specified date, a best and final offer with respect to delivery of building materials for the Infrastructure and Maintenance Division, and has selected and accepted the offer of herein SUPPLIER for the supply of those goods and services in the total sum of **SIX HUNDRED TWENTY THREE THOUSAND NINE HUNDRED SIXTY PESOS (P623,960.00)**, hereinafter called the "**CONTRACT PRICE**":

NOW THEREFORE, in view of the foregoing premises and the mutual covenants and undertakings hereinafter provided, the AFAB and the SUPPLIER, hereinafter collectively referred to as the "**PARTIES**", agree as follows:

1. The consideration for the full and faithful performance and accomplishment of all obligations specified in this contract which the SUPPLIER agrees to undertake, perform and accomplish, the AFAB shall pay the SUPPLIER the total contract price of **SIX HUNDRED TWENTY THREE THOUSAND NINE HUNDRED SIXTY PESOS (P623,960.00)**.

2. In this Agreement words and expressions shall have the same meaning as are respectively assigned to them in the Conditions of Contract referred to.

3. The following documents shall be deemed integral parts of this Agreement and the terms and conditions embodied therein shall be deemed reproduced herein by reference and/or incorporation:

- a. the Offer, the Price Schedule, the Schedule of Requirements, and the Technical Specifications submitted by the SUPPLIER;
- b. the other documents/statements contained in the bidding envelopes submitted by the SUPPLIER;
- c. the additional Post-Qualification Documents submitted by the SUPPLIER;
- d. the Invitation and Purchase Request given to the SUPPLIER;
- e. the Resolution of the Bids and Awards Committee selecting the SUPPLIER as the best offer and thus recommending the Award of Contract thereto;
- f. the Notice of Award with the SUPPLIER's conforme thereto;
- g. the SUPPLIER's Performance Bond;
- h. Other requirements of laws, rules and regulations and executive orders applicable thereto.

2. The AFAB hereby covenants to pay the SUPPLIER, in consideration of the provision of the goods and services, the Contract Price or such other sum as may become payable under the provisions of the Conditions of Contract at the time and in the manner prescribed under the Contract.

3. In relation to this Contract, the SUPPLIER shall pay taxes in full and on time and that failure to do so will entitle the AFAB to suspend payment of the services delivered by the SUPPLIER.

4. The SUPPLIER shall present to the AFAB a tax clearance from the Bureau of Internal Revenue (BIR) as well as a copy of its income and business tax returns duly stamped and received by the BIR and duly validated with the tax payments made thereon.

5. The SUPPLIER is the sole employer of all the workers that may be assigned under this Contract and shall be solely responsible and liable for strict compliance with all pertinent labor legislation, rules and regulations. No employer – employee relationship exists between the FAB and the SUPPLIER or any of the workers in the SUPPLIER's employ. Neither is there deemed any agency, partnership, license or joint venture. The SUPPLIER holds the FAB absolutely free and clear by any of the said workers, for any reason whatsoever.

6. The terms and conditions herein set forth shall be automatically modified by the applicable provisions of laws, rules and regulations, especially on government procurement.

7. The SUPPLIER shall guarantee his goods from defects due to faults in materials for a period of one (1) year reckoned from the date the goods are accepted by the AFAB. Defects found within the guarantee period shall be immediately corrected by the SUPPLIER upon receipt of written notice from the AFAB. Should the SUPPLIER fail to correct said defects after a period of fifteen (15) days, the AFAB shall undertake the necessary corrective measures at the expense of the SUPPLIER.

8. The obligation for the warranty as provided in the preceding paragraph shall be covered by either retention money in an amount equivalent to at least ten percent (10%) of every process payment, as the case may be, or a special bank guarantee or surety bond in favour of the AFAB equivalent to at least ten percent (10%) of the total contract price. The said amounts shall only be released after the lapse of the warranty period; *Provided*, however, that the supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.

9. The SUPPLIER shall commence the execution of this Agreement within seven (7) calendar days from receipt of the Notice to Proceed, and must comply with its obligations under this Agreement within thirty (30) calendar days from date of commencement, unless otherwise terminated for failure of the SUPPLIER to perform its obligations under this Contract, in line with the Guidelines on Termination of Contracts issued by the Government Procurement Policy Board (GPPB Resolution No. 018-2004 dated December 2004).

10. This Agreement shall take effect upon the date of receipt by the SUPPLIER of the Notice to Proceed from the AFAB.

IN WITNESS WHEREOF, the parties have set their hands on the date and at the place first written above.

**AUTHORITY OF THE FREEPORT
AREA OF BATAAN**

**JMP TRADING AND HOME
IMPROVEMENTS**

BY:

BY:

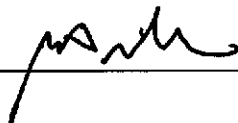


DEOGRACIAS G.P. CUSTODIO
Chairman and Administrator



MICHAEL EMMANUEL M. PALAC
General Manager/Owner

SIGNED IN THE PRESENCE OF:


Marwin S. Fuentres

ACKNOWLEDGEMENT

BEFORE ME, this SEP 01 2015 2015 in Mariveles, Bataan, personally appeared:

NAME	COMPETENT EVIDENCE OF IDENTITY	DATE & PLACE OF ISSUE/EXPIRY
DEOGRACIAS G.P. CUSTODIO	Passport No. 2004066	Valid until 29 August 2019 DFA NCR Central
MICHAEL EMMANUEL M. PALAC	<u>Passport EB1521158</u>	<u>DRIVER'S LICENSE C0204000964</u>

both known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their own free and voluntary will and deed, as well as that of the corporations they represent.

This instrument refers to a "SUPPLY AND DELIVERY OF BUILDING MATERIALS FOR INFRASTRUCTURE AND MAINTENANCE DIVISION" that consists of five (5) pages including the page whereon this acknowledgement is written, and which is signed by the Parties and their instrumental witnesses on each and every page thereof and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereunto set my hand on the date and at the place first written above.

VINCENT ORMAZABAL, JR.
Notary Public for the Philippines
PTR No. 0444386; Mariveles, Bataan; 01-05-15
IBP No. 924063; Bataan; 01-05-15
Roll of Attorneys No. 49679
FAB Post Office, Mariveles, Bataan

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